



COMMERCIAL AND INDUSTRIAL FINANCING

7910 BAYMEADOWS WAY
SUITE 120
JACKSONVILLE, FL 32216
TELEPHONE: (904) 739-0010

January 20, 1984

4-024A070
No. 1 JAN 24 1984
Date
Fee \$ 50.00

14259 X
RECORDATION NO. Filed 1425

ICC Washington, D. C.

JAN 24 1984 -9 25 AM

Ms. Mildred Lee
Interstate Commerce Commission
12th & Constitution Avenue, N
Room 2303
Washington, DC 20423

14259
RECORDATION NO. Filed 1425
INTERSTATE COMMERCE COMMISSION

JAN 24 1984 -9 25 AM

INTERSTATE COMMERCE COMMISSION

Re: Gregg Investment Ltd.

Dear Ms. Lee:

Enclosed is a Chattel Mortgage between Gregg Investment Ltd., a Florida Limited Partnership, and General Electric Credit Corporation, a New York Corporation. This agreement covers the purchase of four (4) new North American Car Corporation PD-5000 cu ft pressure differential design railroad hopper cars and is supported by Exhibits A, B, and C attached and forming a part of the Chattel Mortgage.

Since these cars will be engaged in interstate commerce throughout the United States, I was informed that the cars fall within the jurisdiction of the ICC, and the Chattel Mortgage and its exhibits are to be filed with your office. Our check for \$50.00 to cover your fees is enclosed.

Please return the evidence of the filing to my attention in the enclosed self-addressed, stamped envelope. Your assistance in this matter is greatly appreciated.

Sincerely,

W. I. Kinsey

W. I. Kinsey
Region Credit Analyst

WIK/nmc

Enclosures

JAN 24 1984 -9 25 AM

EQUIPMENT LEASE

INTERSTATE COMMERCE COMMISSION

This lease made December 28, 1983, between GREGG INVESTMENT, LTD., a Florida limited partnership, P. O. Box 1046, Leesburg, Florida, herein referred to as Lessor, and C. L. INDUSTRIES, INC., of P. O. Box 317, Leesburg, Florida, herein referred to as Lessee.

Lessor hereby leases to Lessee and Lessee hires from Lessor the four railroad cars described on Exhibit "1" attached, herein referred to as the "cars", on the following terms and conditions:

1. Rent: Lessee shall pay to Lessor as rent for the cars the sum of \$.55 per mile per car traveled loaded plus any savings which Lessee shall realize by using these cars in lieu of shipping by rail and making payments for freight directly to the railroad. In no event, however, shall the monthly rental payment be less than the sum necessary to amortize a \$250,000.00 obligation, payable in sixty (60) equal monthly principal installments of \$4,150.00 plus applicable interest at a rate equal to the prime rate charged by the Chemical Bank of New York plus one percent (1%), such rate to be adjusted monthly as of the first business day of the month preceding the month in which an installment of principal and interest or interest only is due. It is understood that the minimum monthly rental amount may vary from month to month by reason of the change in the interest rate and the declining principal balance of the \$250,000.00 obligation. This shall be deemed to be the minimum monthly rental payment. In no event shall the minimum monthly rental payment be less than \$4,150.00 plus applicable interest. The minimum monthly rental payment shall be due on the first day of each month, beginning on February 1, 1984 and continuing thereafter during the term of this lease. The additional monthly rental payments in excess of the minimum monthly rental payment shall be made for the preceding month, one month following the date the minimum monthly payment is due. For example, adjustments based on mileage and freight savings required by the terms of the lease for the month of January shall be due and payable on or before March 1.

2. Use of Cars: Lessee agrees that it will not use or permit the use of the cars leased hereunder in a negligent or improper manner or in violation of any law, or so as to avoid any insurance covering the same, or permit the cars to become subject to any lien, charge, or encumbrance. If the cars become subject to any lien, charge or encumbrance, the Lessee shall promptly take appropriate action to remove such lien, charge or encumbrance.

3. Maintenance and Repairs: All routine and periodic service and maintenance and routine repairs and materials needed in connection with the cars in the lease term hereof are at Lessor's expense. Lessee shall take the cars to the appropriate factory-authorized dealer for all service and repairs covered under any manufacturer's warranty; any service and repairs not covered by any manufacturer's warranty shall be performed by a dealer or service agent approved by the Lessor.

4. Obligation to Insure: The cars will be insured with comprehensive and collision physical damage insurance for their full insurable value with \$ 25,000 deductible. In addition, they will be insured for liability insurance in the single limit sum of \$ 500,000. Each of the insurance policies referred to above will be with companies acceptable to the Lessor and with the premiums paid by the Lessee. The Lessor will be named as additional insured on the liability insurance. On the physical damage policy, the Lessor's lender, if any, will be shown as the first loss payee and the Lessor will be shown as the second loss payee. In the event the Lessee shall fail to pay or provide any insurance specified above, Lessor may, at its option, pay for such insurance and add the amount paid to the next monthly rental payment due from Lessee. Lessee will promptly notify Lessor of any accident or incident that may result in an insurance claim. General Electric Credit/shall be given 30 days prior written notice of cancellation and the cancellation notice in the event that such insurance is cancelled.

4. Obligation to Pay Miscellaneous Charges: Lessee agrees to pay all towage, storage charges, parking charges, and fines.

Lessee will pay any fees (including registration and inspection fees) or taxes which may be imposed with respect to said cars by any duly constituted governmental authority as a result of Lessee's use or intended use of the cars, including any sales or use tax imposed by any governmental authority.

6. Risk or Loss and Damage: Lessee shall bear all risks of damage to or loss of the cars or any portions thereof not covered by insurance other than routine maintenance and repairs. All non routine replacements, repairs, or substitution of parts or equipment necessitated by accidents, or otherwise, shall be at the cost and expense of Lessee and shall be accessions on the cars. The rent on the cars shall not be prorated or abated while they are being serviced or repaired.

7. Indemnity to Lessor: Lessee agrees to indemnify Lessor against all claims, losses, causes of action, and expenses, including legal expenses, arising from the use and operation of the cars, other than those expressly assumed by Lessor under the terms hereof.

8. Termination of Lease: This lease will terminate on December 31, 1988.

9. Termination by Default: Time is of the essence of this agreement. Lessor, at its option, may by written notice to Lessee declare this lease in default on the happening of any of the following:

(a) Default by Lessee in payment or performance of any of its obligations hereunder.

(b) A proceeding in bankruptcy or under any law for relief of debtors involving Lessee or the leased cars or any Guarantor of this lease.

(c) Voluntary assignment of Lessee's interest herein.

(d) Involuntary transfer of Lessee's interest herein by operation of law.

(e) Expiration or cancellation of any policy of insurance agreed to be paid for by Lessee, or the cessation in force according

to its original terms of such insurance, or of any extension or renewal thereof, during the entire term of this lease.

10. Notice of Termination: Upon any default by Lessee, Lessor shall have the right, in addition to any other rights it may have, to give written notice to Lessee of its intention to terminate this Agreement at the end of fifteen (15) days; and if, by that time, the amount due has not been paid, or if any other default is not cured or remedied to the satisfaction of the Lessor, this Agreement will be terminated and Lessor may remove the Equipment or take such other steps as may be available at law or in equity for breach of contract.

11. Return of Cars: On expiration of the lease term, or earlier termination of the lease as herein provided, Lessee shall return the cars in the same condition as when received, less reasonable wear and tear and free from collision or upset damage to Lessor at Leesburg, Florida, or any other location mutually agreed on by the parties.

12. Assignment: Lessee agrees not to assign, transfer, pledge, or encumber any of its rights under this lease, or the lease itself. Lessee hereby consents to and authorizes Lessor's assignment of all rentals, charges, and other amounts payable by Lessee to Lessor, or to become payable hereunder. If Lessor so assigns the sums agreed to be paid by Lessee hereunder to anyone, the rights of assignee to receive the same shall be free from all defenses, setoffs, and counter-claims of every kind that Lessee may be entitled to assert against Lessor, but Lessee may separately assert such claims against Lessor. Notwithstanding such assignment, assignee shall not assume any of the obligations of Lessor. This lease and the rights and interest of Lessee hereunder are subordinate to any security agreement now or hereafter to be executed by Lessor and any such assignee, covering the cars.

13. Waiver: Failure of Lessor in any one or more instances to insist on the performance of any of the terms of this lease, or to exercise any right or privilege conferred herein, or the waiver of

any breach of any terms of this lease shall not thereafter be construed as a waiver of such terms, which shall continue in force as if no such waiver had occurred.

14. No Warranties by Lessor: Lessor, not being the manufacturers of the leased cars, nor manufacturers' agent, make no warranty or representation, either express or implied, as to the fitness, design or condition of or as to the quality or capacity of the material, equipment or workmanship in the leased equipment, nor any warranty that the leased equipment will satisfy the requirements of any law, rule, specification or contract which provides for specific machinery or operators or special methods; it being agreed that all such risks, as between Lessor and Lessee, are to be borne by Lessee as its sole risk and expense. Nor oral agreement, guarantee, promise or condition, representations related hereto and/or to the leased cars are integrated herein and no modification hereof shall be binding unless in writing signed by Lessor. Any warranties or representations of the manufacturer or Lessor's supplier shall inure to the benefit of Lessee.

15. Construction of Instrument: This Agreement is one of leasing only and Lessee does not acquire hereby any right, title, or interest to the cars leased hereunder other than the right of possession of a Lessee.

16. Notices: Any notice to be given hereunder shall be deemed given when sent by registered or certified mail to the address herein contained of the party to be notified.

17. Choice of Law: This lease shall be governed by and construed under the laws of the State of Florida.

18. Succession: This Agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this lease at Leesburg, Florida, the day and year first above written.

Signed in the presence of:

Wm Heid Darnell

GREGG INVESTMENT, LTD.

BY Fred B. Gregg (SEAL)

(CORPORATE SEAL)

Wm Heid Darnell

C. L. INDUSTRIES, INC.

BY F. Brown Gregg (SEAL)
President

(CORPORATE SEAL)

1205:GREGGL:122883:32

STATE OF FLORIDA
COUNTY OF DUVAL

I, the undersigned authority, hereby certify that the foregoing is a true and correct copy of the instrument presented to me by William I. Kinsey as the original of such instrument.

WITNESS my hand and official seal, this 18th day of January A.D., 1984.

Nancy M. Carnovale
Notary Public
State of Florida

NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires Nov. 29, 1987

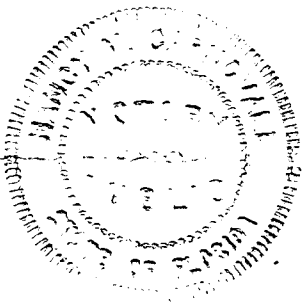


EXHIBIT C
GENERAL ELECTRIC CREDIT CORPORATION

Assignment of Rent

This Assignment, made and entered into this 28th day of December, 1983 by and between GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Mortgagee") and GREGG INVESTMENT, LTD., a partnership ("Mortgagor"):

For good and valuable consideration, as set forth in the Chattel Mortgage dated December 28, 1983 (the "Mortgage"), receipt of which is hereby acknowledged, Mortgagor hereby assigns, sets over, and transfers to Mortgagee, its successors and assigns, all of its right, title, and interest in and to all rentals due under that certain Lease Agreement dated December 28, 1983 (the "Lease") between Mortgagor, as Lessor, and C.L. Industries, Inc., as Lessee, and any extensions or renewals thereof; provided, however, that Mortgagee shall not exercise its rights under this Assignment unless and until a default or event which, with notice or the lapse of time or both, would constitute a default under the Mortgage has occurred and is continuing. Mortgagee's failure to exercise any right hereunder shall not be considered a waiver of such or any other right.

Mortgagee and Mortgagor agree that (i) Mortgagee shall have no duty or obligation whatsoever to any Lessee under the Lease Agreement or any sublease agreement; (ii) Mortgagor shall remain liable for the payment of all sums and the performance of all obligations under the Mortgage, whether or not Mortgagee has exercised its rights under this Assignment; (iii) Mortgagor shall promptly reimburse Mortgagee for any expenses incurred by Mortgagee in connection herewith; and (iv) Mortgagor shall require in its Lease Agreement that its Lessee waive and agree not to assert against Mortgagee any defense, set off, recoupment, claim or counterclaim which said lessee might have against Mortgagor and further agree to subordinate its rights under any Lease Agreement to the rights of Mortgagee under the Mortgage.

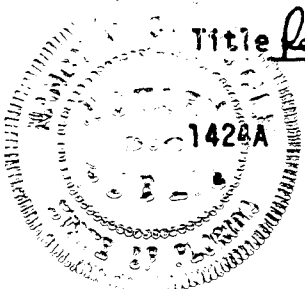
Executed and delivered this 28 day of December, 1983.

GREGG INVESTMENT, LTD.
a partnership

By: *Frank B. Gregg*
Partner

GENERAL ELECTRIC CREDIT CORPORATION

By *W. I. Kinsey*
Title *Region Credit Analyst*



STATE OF FLORIDA
COUNTY OF DUVAL

I, the undersigned authority, hereby certify that the foregoing is a true and correct copy of the instrument presented to me by William I. Kinsey as the original of such instrument.

WITNESS my hand and official seal, this 18th day of January A.D., 1984.

NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires Nov. 29, 1987

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